

# GALLOPS ENTERPRISE LIMITED

Regd. Office: 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite,  
Ahmedabad, Gujarat-380015

Website: [www.gallopsenterprise.com](http://www.gallopsenterprise.com) Contact Details: 0749-26861459/60

CIN NO.L65910GJ1994PLC023470

3<sup>rd</sup> September, 2020

To,  
Department of Corporate Services  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai -400 001

**Security Code: 531902**  
**Security ID: GALLOPENT**

Dear Sir,

**Sub : Submission of Annual Report for the-Financial Year 2019-2020**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2019-2020 along with the Notice of 26th Annual General Meeting to be held on Tuesday, 29<sup>th</sup> September, 2020 at 11:30 a.m. through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"). The said Annual Report has also been uploaded on the website of the Company's at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

Thanking you,

Yours faithfully,

**For, Gallops Enterprise Limited**

  
**Hiral Soni**  
**Company Secretary**



Encl.: As above

# **GALLOPS ENTERPRISE LIMITED**

**(CIN: L65910GJ1994PLC023470)**

## **Annual Report 2019-2020**

## CORPORATE INFORMATION

<p><b>Board of Directors</b></p> <p>Mr. Narsinhbhai G. Patel - Managing Director          Mr. Naginbhai G. Patel - Executive director          Ms. Pooja N. Patel - Non-Executive Director          Mr. Amrish J. Patel -Independent director          Mr. Bhanubhai A. Patel – Independent director</p> <p><b>Key Managerial Personnel</b></p> <p>Mr. Mukesh Patel - Chief Financial Officer          Ms. Hiral Soni - Company Secretary</p> <p><b>Auditors</b></p> <p>S. K. Jha &amp; Company          204, Iscon Plaza,          Nr. ISRO,          Satellite Road,          Satellite,          Ahmedabad – 380015</p>	<p><b>Registered / Corporate Office</b></p> <p>9th Floor, Astron Tech Park,          Near Satellite Police Station,          Satellite, Ahmedabad – 380015          Tel. No. : +91 79 26861459/60          Email : <a href="mailto:investors.gallops@gmail.com">investors.gallops@gmail.com</a>          Website : <a href="http://www.gallopsenterprise.com">www.gallopsenterprise.com</a></p> <p><b>Registrars and Share Transfer Agent</b></p> <p>Link Intime India Private Limited          506-508,Amarnath Business Centre-1 (ABC-1),          Besides Gala Business Centre,          Near St. Xavier’s College Corner, Off C G Road ,          Ellisbridge, Ahmedabad – 380 006          Tel No. : +91 79 26465179/86/87          Email : <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>          Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a></p>
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# GALLOPS ENTERPRISE LIMITED

CIN: L65910GJ1994PLC023470

**Regd. Off:** 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015  
**T - +917926861459/60 :: Website:** www.gallopsenterprise.com :: **Email :** investors.gallops@gmail.com

## NOTICE

Notice is hereby given that the **Twenty Sixth** Annual General Meeting ("**AGM**") of the Members of **GALLOPS ENTERPRISE LIMITED** will be held on Tuesday, September 29, 2020 at 11.30 a.m. through Video Conference ("**VC**")/ Other Audio Visual Means ("**OAVM**") facility, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Pooja Patel (DIN: 2233585), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

3. To consider and if thought fit to pass with or without modification(s) the following resolution as a **Ordinary Resolution:**

#### **Appointment of Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the Company**

**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("**the Act**") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the Company be and is hereby accorded for the Appointment of Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the Company and who has agreed that he will not draw any remuneration from the Company, being as Managing Director and as a Whole time Key Managerial Personnel (KMP) of the Company for a period of 5 years with effect from 25th June, 2020 to 24th June, 2025 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors of the Company (hereinafter referred to as "**the Board**") (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Balram Bharatbhai Padhiyar.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and are hereby authorized severally to take such steps as it may consider necessary, proper or expedient to give effect to the aforesaid resolution."

Place: Ahmedabad  
Date: August 18, 2020

Registered Office:  
9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015  
CIN: L65910GJ1994PLC023470

By order of the Board of Directors  
**For, GALLOPS ENTERPRISE LIMITED**

**Hiral Soni**  
**Company Secretary**



## NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing has to be a pre-requisite. The Ministry of Corporate Affairs ("MCA") has vide its circular dated 5<sup>th</sup> May 2020 read with circulars dated 8<sup>th</sup> April 2020 and 13<sup>th</sup> April 2020 ("MCA Circulars") and Securities and Exchange Board of India vide its circular dated 12<sup>th</sup> May 2020 ("SEBI Circular"), permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company will be held through VC / OAVM. **Hence, Members can attend and participate in the AGM through VC/OAVM only.** The deemed venue for the 26th Annual General Meeting of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is explained at Note No. 15 below.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 23<sup>rd</sup> September 2020 to Tuesday, the 29<sup>th</sup> September 2020 (both days inclusive).
4. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website i.e. [www.gallopsenterprise.com](http://www.gallopsenterprise.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
5. In case of Joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination cum Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on account of first-come first-served principle.
8. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item No. 3 of the Notice, is annexed hereto. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/ re-appointment as a Director under Item No. 2 & 3 of the Notice is also annexed to the notice.



9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investors.gallops@gmail.com](mailto:investors.gallops@gmail.com).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Link Intime India Private Limited / Company.
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or register and share transfer agent i.e. RTA Link Intime India Pvt. Ltd. for assistance in this regard.
12. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed with Notice.

**14. INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS (E-VOTING) AND OTHER INSTRUCTIONS RELATING THERETO ARE AS UNDER:**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
- II. The Company has engaged the services of NSDL as the Agency to provide remote e-voting facility and e-voting during the AGM.
- III. Ms. Ankita Patel, Practicing Company Secretary (Membership No. FCS 8536, COP 16497) has been appointed as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting in a fair and transparent manner.
- IV. The Results of voting will be declared within 48 hours from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed (BSE Limited) and shall also be displayed on the Company's website [www.gallopsenterprise.com](http://www.gallopsenterprise.com) and NSDL's website [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- V. Voting rights of the Members for voting through remote e-voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 22<sup>nd</sup> September, 2020. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting and voting during the AGM.
- VI. The remote e-voting facility will be available during the following period:
  - a. Commencement of remote e-voting: 9.00 A.M. (IST) on Saturday, 26<sup>th</sup> September 2020
  - b. End of remote e-voting: 5.00 P.M. (IST) on Monday, 28<sup>th</sup> September 2020
  - c. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by NSDL upon expiry of aforesaid period.

- VII. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- VIII. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- IX. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning their demat account number/folio number, PAN, name and registered address. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

**X. Process and manner for Remote e-voting:**

Members are requested to follow the below instructions to cast their vote through e-Voting:

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 are mentioned below:**

**How to Log in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the homepage of e-Voting system is launched, click on the icon "Login" which is available under Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e - services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a. pdf file. Open the .pdf

file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the checkbox.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Gallops Enterprise Limited to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Instructions for members for e-voting on the day of the AGM:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csankitapatel@gmail.com](mailto:csankitapatel@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five



unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **15. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:**

- I. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company’s AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- II. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. Further, an additional time of 15 minutes after the commencement of the meeting shall also be provided for joining the meeting.
- III. Members are encouraged to join the Meeting through Laptops for better experience.
- IV. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- V. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- VI. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in/1800-222-990](mailto:evoting@nsdl.co.in/1800-222-990).
- VII. Members seeking any information with regard to the annual accounts for 2019-20 or any business to be dealt at the AGM, are requested to send e mail on [gallops.enterprises@gmail.com](mailto:gallops.enterprises@gmail.com) on or before 24<sup>th</sup> September 2020 along with their name, DP ID and Client ID/folio number, PAN and mobile number. The same will be replied by the Company suitably.
- VIII. Further, members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio Number, PAN and mobile number at [gallops.enterprises@gmail.com](mailto:gallops.enterprises@gmail.com) on or before 24<sup>th</sup> September 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

#### **16. The Members who have not registered their e-mail addresses with the Company are requested to register them with the Company to receive e- communication from the Company. For registering e-mail address, the Members are requested to follow the below steps:**

- Members holding shares in physical mode are requested to provide name, folio number, mobile number, e-mail address, scanned copies of share certificate(s) (both sides), self-attested PAN and Aadhar Card through e-mail on [investors.gallops@gmail.com](mailto:investors.gallops@gmail.com).
- Members holding shares in dematerialised mode are requested to provide name, Depository participant ID and Client ID, mobile number, e-mail address, scanned copies of self-attested client master or Consolidated Account statement through e-mail on [investors.gallops@gmail.com](mailto:investors.gallops@gmail.com).

**ANNEXURE TO THE NOTICE**

**Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013**

**ITEM NO. 3**

**Appointment of Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the Company**

The Board of Directors of the Company in its meeting held on June 25, 2020 has appointed Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the Company without remuneration for a period of 5 years from 25<sup>th</sup> June, 2020 to 24<sup>th</sup> June, 2025 as recommended by the Nomination and Remuneration Committee.

**Broad particulars of the terms of appointment and remuneration payable to Mr. Balram Bharatbhai Padhiyar is as under:**

- (a) Remuneration: Nil
- (b) The Managing Director shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company
- (c) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (d) The Managing Director shall adhere to the Company's Code of Conduct for Board Members and Senior Management Personnel.
- (e) The office of the Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.
- (f) Mr. Balram Bharatbhai Padhiyar satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Balram Bharatbhai Padhiyar under Section 190 of the Act.

Brief resume of Mr. Balram Bharatbhai Padhiyar is given below:

Mr. Balram Bharatbhai Padhiyar has earned a Post Graduate Programme in Information Technology from Gujarat University. He has done this post graduate in specialization in database technologies at GLS Institute of Information Technology.

Mr. Balram Bharatbhai Padhiyar has started his career in 2002 as channel partner with HDFC Bank and ICICI Bank for automobile loans and general insurance. Over a period of time with Dhiyaan auto and Dhiyaan logistics he ventured in different segments like automobile, real estate, construction, logistics and warehousing, industries.

The Board recommends the Ordinary Resolution set out at Item No.3 of the Notice for approval by the Members.

Other than Mr. Balram Bharatbhai Padhiyar and Ms. Pooja Patel, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise in the Resolution mentioned at Item No. 3 of the Notice.

Place: Ahmedabad  
Date: August 18, 2020

Registered Office:  
9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015  
CIN: L65910GJ1994PLC023470

By order of the Board of Directors  
**For, GALLOPS ENTERPRISE LIMITED**

**Hiral Soni**  
**Company Secretary**



## ANNEXURE TO THE NOTICE

### **Details of Directors seeking appointment and reappointment at the forthcoming Annual General Meeting** (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

<b>Particulars</b>	<b>Pooja N. Patel</b>	<b>Balram Bharatbhai Padhiyar</b>
Director Identification No.	02233585	01812132
Date of Birth	06.10.1983	19.03.1979
Nationality	Indian	Indian
Date of Appointment on the Board	01.04.2016	25.06.2020
Qualifications	B.E.E.C	Post graduate in Information Technology
Expertise in specific functional area	Expert in Strategy planning, sales, human resources, legal, financial & operational areas.	Expert in automobile, real estate, construction, logistics and warehousing industries.
Number of shares held in the Company	2,34,590	Nil
List of Directorship held in another company (excluding foreign company, Private and Section 8 Companies)*	1. Gallops Infrastructure Limited	1. Gallops Infrastructure Limited
No. of Board Meeting attended during the year	5 out of 5 meetings held during the year 2019-20	NA
Chairman/Member in the Committees of the Boards of companies in which he is a Director*	NIL	NA
Relationships between the Directors inter-se	Ms. Pooja Patel is a daughter of Mr. Narsinh G Patel , Managing Director and Wife of Mr. Balram Bharatbhai Padhiyar.	Mr. Balram Bharatbhai Padhiyar is a husband of Ms. pooja patel, the director of a company.

## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the Twenty sixth Annual Report together with the audited accounts of the company for the year ended on **31<sup>st</sup> March, 2020**. The summarized financial results are as under:

<i>Particulars</i>	<i>Financial Year 2019-2020 (Amount in Rs.)</i>	<i>Financial Year 2018-2019 (Amount in Rs.)</i>
Revenue from Operations	6,675	13,434
Other Income	11,75,892	1,22,62,025
Total Income	11,82,567	1,22,75,459
Less:		
Total Expenditure	11,02,831	38,21,843
Profit/(Loss) Before Tax	79,736	84,53,616
Less:		
Total Tax	-	-
Profit After Tax	79,736	84,53,616

### **Operations:**

During the year under review, the company has earned Total Income of **Rs. 11,82,567/-** (Rupees Eleven Lakhs Eighty Two Thousand Five Hundred and Sixty Seven only) whereas Total Expenditure of **Rs. 11,02,831/-** (Eleven Lakhs Two Thousand Eight Hundred and Thirty One only). The net profit for the year under review has been **Rs. 79,736/-** (Rupees Seventy Nine Thousand Seven Hundred and Thirty six only). Your Directors are continuously looking for avenues for future growth of the company.

### **Change in the Nature of Business:**

There has been no change in the nature of the business during the financial year 2019-2020.

### **Dividend:**

Your Directors have not recommended any dividend for the year ended 31st March, 2020.

### **Transfer to Reserves:**

The company has not transferred any amount to General Reserves during the financial year 2019-2020.

### **Deposits:**

During the year under review, your Company has not accepted or renewed any Deposit within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement of furnishing details of deposits which are not in compliance with Chapter V of the Act, is not applicable.

### **Change in Share Capital:**

During the financial year 2019-2020, there has been no change in the share capital of the company.

### **Disclosure regarding Issue of Equity Shares with Different Rights:**

The company has not issued any equity shares with differential voting rights during the Financial year and it is therefore not required to make disclosures specified in Rule 4 (4) of Companies (Share Capital and Debenture) Rules, 2014.

**Disclosure regarding issue of Sweat Equity Shares:**

The company has not issued any Sweat Equity Shares during the financial year and it is therefore not required to make disclosures specified in Rule 8 (13) of Companies (Share Capital and Debenture) Rules, 2014.

**Disclosure regarding issue of Employee Stock Option:**

The company has not issued any shares under Employee Stock Option Scheme during the financial year and it is therefore not required to make disclosures specified in Rule 12 (9) of Companies (Share Capital and Debenture) Rules, 2014.

**Extract of Annual Return:**

The Extract of Annual return in Form No. MGT – 9 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 as on the financial year ended on March 31, 2020 is annexed herewith as **Annexure – I** to this report.

**Particulars of Loan, Guarantees and Investment:**

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the companies Act, 2013 are given in the notes to the financial statements.

**Related Party Transactions:**

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The policy on Related Party Transactions as approved by the Board is available on website of the company at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

Considering the nature of activities undertaken by the company during the year under review, the provisions in respect of conservation of energy and technology absorption is not applicable to the company. Therefore, particulars relating to Conservation of Energy and Technology Absorption are not forming part of the Annual Report.

Further during the year under review, details of foreign exchange earnings and outgo are as given below:

<i>Particulars</i>	<i>Financial Year 2019-20 (In Rs.)</i>	<i>Financial Year 2018-19 (In Rs.)</i>
Earning in Foreign Currencies	NIL	NIL
Expenditure in foreign Currency	NIL	NIL

**Material changes and commitments affecting the financial position of the company:**

There are no material changes and commitments affecting financial position of the company which have occurred between the end of financial year and date of report.

**Subsidiaries, Joint Ventures and Associate Companies:**

During the year under review, none of the companies has become or ceased to be Company's subsidiaries, joint ventures or associate companies.

**Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies:**

During the year under review, none of the companies have become or ceased to be Company's subsidiaries, joint ventures or associate companies, therefore Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is not require to be given.

**Board of Directors and Key Managerial Personnel****Constitution of Board**

The Board of Directors of the Company consists of Five (5) Directors; One (1) of whom is Promoter Managing Director, one (1) is Promoter – Executive Director, one (1) is Promoter – Non-Executive Director and two (2) are Non-Executive Independent Directors.

**Composition of board as on March 31, 2020;**

Name of Director	Category Cum Designation	Date of Appointment at current designation	Total Directorship (including the company)	No. of Committee <sup>^</sup>	
				in which Director is Members	in which Director is Chairman
*Mr. Narsinh. G. Patel	Managing Director (Promoter)	1 <sup>st</sup> April, 2016	9	2	--
Mr. Naginbhai G. Patel	Executive Director (Promoter)	28 <sup>th</sup> April, 2008	11	--	--
Ms. Pooja N. Patel	Non-Executive Director (Promoter)	1 <sup>st</sup> April, 2016	4	1	1
Mr. Amrish Patel	Independent Director	11 <sup>th</sup> November, 2014	2	2	--
Mr. Bhanubhai Patel	Independent Director	1 <sup>st</sup> April, 2016	1	1	2

<sup>^</sup> Committee includes Audit Committee and Stakeholders' Relationship Committee across all Public Companies and details as on 31<sup>st</sup> March, 2020.

\* Mr. Narsinh G. Patel has died on 25<sup>th</sup> May, 2020.

Mr. Narsinh G. Patel, Promoter, Managing Director of the Company, expired on Monday, 25th May, 2020. So, the Board of Directors of the Company at its meeting held on 25th June, 2020 has appointed Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the company w.e.f. 25th June, 2020, for a period of 5 years, subject to the approval of Shareholders at the ensuing Annual General Meeting of the company.

Further, the composition of Board as on the date of the Board Report is as under:

Name of Director	Category Cum Designation	Date of Appointment at current designation	Total Directors hip (including the company)	No. of Committee <sup>^</sup>	
				in which Director is Members	in which Director is Chairman
*Mr. Balram Bharatbhai Padhiyar	Managing Director	25 <sup>th</sup> June, 2020	7	2	--
Mr. Naginbhai G. Patel	Executive Director (Promoter)	28 <sup>th</sup> April, 2008	11	--	--

Ms. Pooja N. Patel	Non-Executive Director (Promoter)	1 <sup>st</sup> April,2016	4	1	1
Mr. Amrish Patel	Independent Director	11 <sup>th</sup> November, 2014	2	2	--
Mr. Bhanubhai Patel	Independent Director	1 <sup>st</sup> April,2016	1	1	2

\* Mr. Balram Bharatbhai Padhiyar has been appointed as Managing Director w.e.f. 25<sup>th</sup> June, 2020.

The composition of Board complies with the requirements of the Companies Act, 2013. Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from requirement of having composition of Board as per Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

During the year, Ms. Pooja Patel (DIN: 2233585) director of the company retires by rotation and being eligible, offers himself for reappointment.

In accordance with Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel at the end of the financial year and as on date of the Board Report.

1. Mr. Narsinh G. Patel – Managing Director ceased to be a Managing Director w.e.f. 25<sup>th</sup> May, 2020.
2. Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) appointed as a Managing Director of the company w.e.f. 25<sup>th</sup> June, 2020)
3. Mr. Mukesh Patel – Chief Financial Officer and Compliance Officer
4. Ms. Hiral Soni – Company Secretary

**Declaration by Independent Director:**

As per the requirements of the Companies Act, 2013, declaration by the Independent Directors pursuant to section 149 (6) Companies Act, 2013 has received by company.

**No. of Board Meetings:**

During the financial year 2019-2020, 5 meetings of the Board of Directors of the company were held on 13.05.2019, 25.06.2019, 30.07.2019, 22.10.2019 and 30.01.2020.

**Performance Evaluation:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the performance of chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. The same was discussed in the board

meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

**Directors' Responsibility Statement:**

In accordance with the provisions of Section 134 (3)(c) read with section 134 (5) of the Companies Act, 2013, the Board of Directors states:

- 1) in preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- 3) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) they have prepared the annual accounts on a going concern basis;
- 5) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- 6) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Particulars of Employees:**

The Company has not employed any employee except the Chief Financial Officer and Company Secretary. Further, details of Remuneration paid to Chief Financial Officer is provided under the extract of Annual Return in Form MGT-9 along with the details of remuneration paid to Managing Director. Hence, the information required under Section 197(12) of the Companies Act, 2013 and rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given separately.

**Receipt of Commission/Remuneration:**

The Directors of the Company have not received any Remuneration/Commission from the company during the financial year 2019-2020.

**Details of Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future:**

The Company has not received any significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in Future.

**Internal Financial Control System:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit Department with adequate experience and expertise in internal controls, operating system and procedures. The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.



**Disclosures under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:**

During the year under review, no complaints were received on Sexual Harassment.

**Risk Management:**

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same. The Company has framed a Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

**Corporate Social Responsibility:**

Under Section 135 of the Companies Act, 2013 the provision of Corporate Social Responsibility is not applicable to the company for the financial year 2019-2020.

**Committees of Board**

Your Company has constituted several Committees in compliance with the requirements of the relevant provisions of applicable laws and statutes, details of which are given hereunder.

**1. Audit Committee**

Audit Committee meeting is generally held once in quarter for the purpose of recommending the quarterly/half yearly/ yearly financial results and the gap between two meetings did not exceed one hundred and twenty days. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. The Audit Committee met four times during the financial year 2019-2020 viz: 13.05.2019, 30.07.2019, 22.10.2019 and 30.01.2020.

The Audit committee Comprises of the following directors as on 31<sup>st</sup> March, 2020 .

Sr. No.	Name of Director	Category	Designation
1	*Mr. Bhanubhai Patel	Independent Director	Chairman
2	Mr. Amrish Patel	Independent Director	Member
3	Mr. Narsinhbhai Patel	Executive Director	Member

\* Mr. Bhanubhai Patel was designated as Chairman of the committee w.e.f. 13.05.2019 in place of Mr. Amrish Patel.

Mr. Narsinh G. Patel, Promoter, Managing Director of the Company, expired on Monday, 25<sup>th</sup> May, 2020. So, the Board of Directors of the Company at its meeting held on 25<sup>th</sup> June, 2020 has appointed Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the company w.e.f. 25<sup>th</sup> June, 2020 for a period of 5 years, subject to the approval of Shareholders at the ensuing Annual General Meeting of the company.

Further, the Audit committee Comprises of the following directors as on the date of the Board Report.

Sr. No.	Name of Director	Category	Designation
1	Mr. Bhanubhai Patel	Independent Director	Chairman
2	Mr. Amrish Patel	Independent Director	Member
3	Mr. Balram Padhiyar	Executive Director	Member

The details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the financial year 2019-2020	
		Held	Attended
1	Mr. Bhanubhai Patel	4	4
2	Mr. Amrish Patel	4	4
3	Mr. Narsinhbhai Patel	4	4

Mr. Bhanubhai Patel, the Chairman of the Committee had attended last Annual General Meeting of the Company held on 20<sup>th</sup> September, 2019.

Recommendations of Audit Committee, wherever and whenever given, have been accepted by the Board.

### **Vigil Mechanism**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

## **2. Nomination and Remuneration Committee**

The Company has formed Nomination and Remuneration committee in line with the provisions Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the person who is qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, two meeting was held on 13.05.2019 & 22.10.2019 inter alia, to recommend the appointment of Director and KMP's and to review the performance of Directors of the Company.

The Nomination and Remuneration committee Comprises of the following directors as on the date of the Board Report.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Designation</b>
1	*Mr. Bhanubhai Patel	Independent Director	Chairman
2	Mr. Amrish Patel	Independent Director	Member
3	Ms. Pooja Patel	Non-Executive Director	Member

\* Mr. Bhanubhai Patel was designated as Chairman of the committee w.e.f. 13.05.2019 in place of Mr. Amrish Patel.

The details of meetings attended by its members are given below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Number of meetings during the financial year 2019-2020</b>	
		<b>Held</b>	<b>Attended</b>
1	Mr. Bhanubhai Patel	2	2
2	Mr. Amrish Patel	2	2
3	Ms. Pooja Patel	2	2

### **Nomination and Remuneration Policy**

The Company has, in order to attract motivated and retained manpower in competitive market and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 devised a policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management. Key points of the Policy are:

#### **A. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel**

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

## B. Policy on remuneration of Director, key managerial personnel and senior management personnel

The Company's remuneration policy is driven by the success and performance of the Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them and provide adequate compensation with the Objective of the Company so that the compensation is used as a strategic tool that helps us to attract, retain and motivate highly talented individuals who are committed to the core value of the Company.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

## 3. Stakeholders Relationship Committee

The Company has constituted Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. During the year under review, Stakeholders Relationship Committee met four times during the financial year 2019-2020 on 13.05.2019, 30.07.2019, 22.10.2019 and 30.01.2020.

The Stakeholder's Relationship Committee Comprises of the following directors as on 31<sup>st</sup> March, 2020.

Sr. No.	Name of Director	Category	Designation
1	Ms. Pooja Patel	Non-Executive Director	Chairman
2	Mr. Narsinhbhai Patel	Executive Director	Member
3	Mr. Bhanubhai Patel	Independent Director	Member

Mr. Narsinh G. Patel, Promoter, Managing Director of the Company, expired on Monday, 25<sup>th</sup> May, 2020. So, the Board of Directors of the Company at its meeting held on 25<sup>th</sup> June, 2020 has appointed Mr. Balram Bharatbhai Padhiyar (DIN: 01812132) as Managing Director of the company w.e.f. 25<sup>th</sup> June, 2020 for a period of 5 years, subject to the approval of Shareholders at the ensuing Annual General Meeting of the company.

Further, the Stakeholder's Relationship Committee Comprises of the following directors as on the date of the Board Report.

Sr. No.	Name of Director	Category	Designation
1	Ms. Pooja Patel	Non-Executive Director	Chairman
2	Mr. Balram Padhiyar	Executive Director	Member
3	Mr. Bhanubhai Patel	Independent Director	Member

The composition of the Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the financial year 2019-2020	
		Held	Attended
1.	Ms. Pooja Patel	4	4
2.	Mr. Narsinhbhai Patel	4	4
3.	Mr. Bhanubhai Patel	4	4

## Corporate Governance:

The Company has been pro-active in following the principles and practices of good Corporate Governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore provision relating to Corporate Governance is not applicable to the company, and therefore, Corporate Governance report is not forming part of the Annual Report. Although few point of the information are provided in this report of Directors under relevant heading. The Company has complied with applicable provisions of Corporate Governance of the Companies Act, 2013.

**Management Discussion & Analysis:**

Management Discussion and Analysis Report, as stipulated under Regulation 34(2)(e), of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with Schedule-V is presented in a separate section forming part of the Annual Report.

**Statutory Auditors:**

In terms of Section 139 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at its 23<sup>rd</sup> Annual General Meeting held on 27th September, 2017 approved the appointment of M/s S K Jha & Co., Chartered Accountants, (ICAI Firm Registration No. 126173W/100106), as the Statutory Auditors of the Company for the term of 5 years commencing from the 23<sup>rd</sup> Annual General Meeting of the Company till the conclusion of the 28<sup>th</sup> Annual General Meeting to be held in 2022.

**Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Ankita Patel, Practising Company Secretary (COP No. : 16497), Ahmedabad, to undertake the Secretarial Audit of the Company for the financial year 2019-2020. The Secretarial Audit Report is annexed herewith as **Annexure – II**.

**Auditors Report:**

The report of M/s S K Jha & Co., Statutory Auditors, along with notes to Financial Statements is enclosed to this annual report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

**Cost Audit:**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 Cost Audit is not applicable to the company for the year under review.

**Acknowledgement:**

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges for their co-operation and support and look forward to their continued support in future.

**Place: Ahmedabad**  
**Date: August 18, 2020**

**By order of the Board of Directors**  
**For, GALLOPS ENTERPRISE LIMITED**

**Mr. Balram Padhiyar**  
**Managing Director**  
**DIN: 01812132**

**Mr. Naginbhai G. Patel**  
**Director**  
**DIN: 00361230**

## Annexure I to the Directors' Report

FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

i	CIN	L65910GJ1994PLC023470
ii	Registration Date	31st October, 1994
iii	Name of the Company	Gallops Enterprise Limited
iv	Category/ Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED (Ahmedabad Branch) 506-508, Amarnath Business Centre -1, (ABC-1), Beside Gala Business Centre, Near Saint Xavier's College corner, off C. G. Road, Ellisbridge, Ahmedabad – 380006. Tel No.: 079-26465179

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr. No.	Name & Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	70109 [As per NIC Code , 2004]	0

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Not Applicable					

**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity) :**

**(i) Category-wise Shareholding**

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	2706890	0	2706890	54.01	2706890	0	2706890	54.01	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Sub Total (A)(1)	2706890	0	2706890	54.01	2706890	0	2706890	54.01	0.00
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	2706890	0	2706890	54.01	2706890	0	2706890	54.01	0.00
(B)	Public Shareholding									



Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B){1}	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Central Government/ State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B){2}	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	65319	185260	250579	5.00	64862	185260	250122	4.99	0.009

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1557773	246600	1804373	36.01	1557773	246600	1804373	36.01	0.00
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	8333	0	8333	0.17	7507	0	7507	0.15	-0.0165
	Non Resident Indians (Repat)	240000	0	240000	4.79	240000	0	240000	4.79	0.00
	Bodies Corporate	1215	0	1215	0.02	2508	0	2508	0.05	0.0256
	Sub Total (B)(3)	1872650	431860	2304510	45.99	1872650	431860	2304510	45.99	0.00
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	1872650	431860	2304510	45.99	1872650	431860	2304510	45.99	0.00
	Total (A)+(B)	4579540	431860	5011400	100.00	4579540	431860	5011400	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	4579540	431860	5011400	100	4579540	431860	5011400	100	0

## (ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Narsinhbhai G Patel	897600	17.91%	0%	897600	17.91%	0%	0.00%
2	Patel Narsinhbhai Ganpatbhai - HUF	435300	8.69%	0%	435300	8.69%	0%	0.00%
3	Varun Naginbhai Patel	300000	5.99%	0%	300000	5.99%	0%	0.00%
4	Ganpatbhai Kevaldas Patel	200000	3.99%	0%	200000	3.99%	0%	0.00%
5	Kalaben N Patel	200000	3.99%	0%	200000	3.99%	0%	0.00%
6	Meenaben Narsinhbhai Patel	200000	3.99%	0%	200000	3.99%	0%	0.00%
7	Naginbhai G Patel	90700	1.81%	0%	90700	1.81%	0%	0.00%
8	Shardaben Ganpatbhai Patel	55000	1.10%	0%	55000	1.10%	0%	0.00%
9	Pooja Narshibhai Patel	234590	4.68%	0%	234590	4.68%	0%	0.00%
10	Zarana N Patel	93700	1.87%	0%	93700	1.87%	0%	0.00%
<b>Total</b>		<b>2706890</b>	<b>54.01%</b>	<b>0.00%</b>	<b>2706890</b>	<b>54.01%</b>	<b>0.00%</b>	<b>0.00%</b>

## (iii) Change in Promoters' Shareholding (Specify if there is no Change)

Sr. No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	NARSINHBHAI G PATEL	897600	17.91%	--	--
	AT THE END OF THE YEAR	--	--	897600	17.91%
2	PATEL NARSINHBHAI GANPATBHAI	435300	8.69%	--	--
	AT THE END OF THE YEAR	--	--	435300	8.69%
3	VARUN NAGINBHAI PATEL	300000	5.99%	--	--
	AT THE END OF THE YEAR	--	--	300000	5.99%
4	GANPATBHAI KEVALDAS PATEL	200000	3.99%	--	--
	AT THE END OF THE YEAR	--	--	200000	3.99%
5	KALABEN N PATEL	200000	3.99%	--	--
	AT THE END OF THE YEAR	--	--	200000	3.99%
6	MEENABEN NARSINHBHAI PATEL	200000	3.99%	--	--
	AT THE END OF THE YEAR	--	--	200000	3.99%
7	NAGINBHAI G PATEL	90700	1.81%	--	--
	AT THE END OF THE YEAR	--	--	90700	1.81%
8	SHARDABEN GANPATBHAI PATEL	55000	1.10%	--	--
	AT THE END OF THE YEAR	--	--	55000	1.10%

Sr. No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
9	POOJA NARSINHBHAI PATEL	234590	4.68%	--	--
	AT THE END OF THE YEAR	--	--	234590	4.68%
10	ZARANA N PATEL	93700	1.87%	--	--
	AT THE END OF THE YEAR	--	--	93700	1.87%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	BHARTI J PATEL	240000	4.79%	--	--
	AT THE END OF THE YEAR	--	--	240000	4.79%
2	BHUPENDRA SHANTILAL SHAH	184700	3.69%	--	--
	AT THE END OF THE YEAR	--	--	184700	3.69%
3	MANORAMA JITENDRAKUMAR SHAH	175000	3.49%	--	--
	AT THE END OF THE YEAR	--	--	175000	3.49%
4	PAYAL SUJAY MEHTA	175000	3.49%	--	--
	AT THE END OF THE YEAR	--	--	175000	3.49%
5	TRIVEDI ASHVIN SHANTILAL	161900	3.23%	--	--
	AT THE END OF THE YEAR	--	--	161900	3.23%
6	BHAVIK GIRISHBHAI PATEL	118700	2.37%	--	--
	AT THE END OF THE YEAR	--	--	118700	2.37%
7	PRAKASH BHAVSAR	104600	2.09%	--	--
	AT THE END OF THE YEAR	--	--	104600	2.09%
8	SANJAY JAGANNATH RAVAL	103600	2.07%	--	--
	AT THE END OF THE YEAR	--	--	103600	2.07%
9	INDO MAURITIAN WELFARE FUND L	100000	1.99%	--	--
	AT THE END OF THE YEAR	--	--	100000	1.99%
10	HEMANT N PATEL	97800	1.95%	--	--
	AT THE END OF THE YEAR	--	--	97800	1.95%

**(v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	For Each of the Directors & KMPs	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Mr. Narsinh G. Patel</b>				
	At the beginning of the year	897600	17.91%	--	--
	At the end of the year	--	--	897600	17.91%
2	<b>Mr. Nagin G. Patel</b>				
	At the beginning of the year	90700	1.81%		
	At the end of the year	--	--	90700	1.81%
3	<b>Ms. Pooja N. Patel - Non Executive Director</b>				
	At the beginning of the year	234590	4.68%	--	--
	At the end of the year	--	--	234590	4.68%
4	<b>Mr. Bhanubhai Patel - Independent Director</b>				
	At the beginning of the year	1700	0.03%	--	--
	At the end of the year	--	--	1700	0.03%

Note: The following Directors and KMPs did not hold any shares of the Company during the year.

- 1 Mr. Amrish Patel - Independent Director
- 2 Mr. Mukesh Patel - Chief Financial Officer
- 3 Ms. Hiral Soni - Company Secretary (appointed on 25.06.2019)

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				

i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Wholetime Directors and/ or Manager**

Sr. No.	Particulars of Remuneration	Name of the MD/ WTD/ Manager
1	Gross salary	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	
2	Stock option	
3	Sweat Equity	
4	Commission	
	as % of profit	
	others (specify)	
5	Others, please specify	
	NPS, PF, Gartuity and Super Annuation	
	<b>Total (A)</b>	
	<b>Ceiling as per the Act</b>	

**B. Remuneration to other Directors**

Sr. No.	Particulars of Remuneration	
1	<b>Independent Directors</b>	NIL
	(a) Fee for attending board committee meetings	
	(b) Commission	
	(c) Others, please specify	
	Total (1)	
2	<b>Other Non Executive Directors</b>	
	(a) Fee for attending board committee meetings	
	(b) Commission	
	(c) Others, please specify	
	<b>Total (2)</b>	
	<b>Total (B)=(1+2)</b>	
	<b>Total Managerial Remuneration</b>	
	<b>Overall Ceiling as per the Act.</b>	



**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Mukesh Patel CFO	Ms.Hiral Soni CS	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	248100	220571	468671
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit			0
	others, specify			0
5	Others, please specify	0	0	0
	NPS, PF, Gartuity and Super Annuation			0
	<b>Total</b>	248100	220571	468671

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			None		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			None		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			None		
Compounding					

## Annexure II to the Directors' Report

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of  
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**GALLOPS ENTERPRISE LIMITED**  
(CIN: L65910GJ1994PLC023470)  
Regd. Off: 9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GALLOPS ENTERPRISE LIMITED** (CIN: L65910GJ1994PLC023470) (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (c) to (h) of para (v) mentioned hereinabove during the period under review.

(vi) Other sector specific laws as applicable specifically to the company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Stock Exchanges and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

**I further report that,** having regarded to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has compliance management system for the sector specific laws applicable specifically to the Company.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned hereinabove. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws applicable to the Company.

**I further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The company has a system of sending adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda at least seven days in advance, and a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision at the board meeting as represented by the management were carried through unanimously whereas as informed, there is system of capturing the views of dissenting members' and recording the same as part of the minutes, wherever required.

**I further report that,** based on review of compliance mechanism established by the company and on the basis of the compliance certificates / reports taken on record by the Board of Directors of the Company, I am of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable rules, regulations and guidelines as referred hereinabove.

**I further report that,** during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**Date: 18.08.2020**

**Place: Ahmedabad**

**Ankita Patel**  
**Practicing Company Secretary**  
**FCS No. F8536**  
**C.P. No. 16497**  
**UDIN : F008536B000584694**

Note : This report is to be read with my letter of even date which is annexed as Annexure - A and forms an integral part of this report.

**ANNEXURE - A**

To,  
The Members  
**GALLOPS ENTERPRISE LIMITED**  
(CIN: L65910GJ1994PLC023470)  
Regd. Off : 9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015

Dear Sir,

**Sub: Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2020**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Date: 18.08.2020**  
**Place: Ahmedabad**

**Ankita Patel**  
**Practicing Company Secretary**  
**FCS No. F8536**  
**C.P. No. 16497**  
**UDIN : F008536B000584694**

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### **Industry structure & developments**

#### **F.Y 2019-20 an unprecedented Roller-Coaster Year for the Industry**

The year 2019-20 starts with a more strengthen and smooth manner because of the reforms introduced by the government in recent years, however India entered into 2020 with lower growth projections on the economic fronts led by global economic slowdown and now the COVID-19 , the unprecedented crisis caused by the global pandemic, impacted the lived of human beings. Around 90.00 Lacs people are suffered from this pandemic accorss the world.

The business worldwide have been highly impacted by the outbreak of COVID-19 epidemic which has resulted in significant reduction in economic activities across all sectors , however impacted the Real Estate sector the worst .

When people have losts their jobs, their lives, their near and dears who can think about going for a vacation or to buy a property.

The company business also suffered as the company has been providing maintenance/consultancy services industries however as since hotels/tours business suffered most surviving in this situation is really a matter of great luck and chance.

### **Opportunities & Threats Opportunities**

Various measures taken by the Government of India may enlighten some opportunities in near future.

#### **Threats**

Despite going in this COVID-19 period for more than 3 months the number of cases of COVID- 19 patients are increasing day by day which further hamper the purchasing power of the human beings.

#### **Outlook**

Management of your company is not very positive on the real estate business in near future due to this unprecedented unforeseen circumstances. Management of your company is now focusing to remain a float any how during the FY 2020-21 so that it can explore opportunity in real estate management services.

### **Risk & Concerns**

Global pandemic COVID-19 has posed considerable risk to your company which was already facing liquidity crunch due to long pending litigations with respect to its advances given for acquiring land / joined development agreements.

### **Segment –wise or product wise performance**

There is no reportable segment as per Ind AS-108, as during the year under report the company undertakes its business activities only in “Real Estate” therefore no segment wise disclosures are required.

### **Internal Control Systems & their adequacy**

The company has placed adequate and effective system of internal controls, which are wisely commensurate with the nature of business and its scale of operations. Reviews of the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards including any changes in that is a regular course of action of the company’s Audit committee. The Statutory Auditors of the Company have also, in their report to members for the financial year ended on 31st March 2020, confirmed the adequacy of internal control system of the Company.

### **Material Development in Human Resources**

The company recognizes the fact that manpower is the most vital resource for any business.The company has been trying its best to provided employee friendly working environment with attractive remunerations. However, going forward company may face challenge in this area.

## INDEPENDENT AUDITOR'S REPORT

To the Members of Gallops Enterprise Limited

### Report on the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of Gallops Enterprise Limited ("**the Company**") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material



misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and those charged with governance for the Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of Ind AS Financial Statement**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Control with reference to Financial



Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**

- g) In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration paid to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
  - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN. 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178  
UDIN: 20176178AAAAAN5500

Date: 25/06/2020  
Place: Ahmedabad

**Annexure A referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.  
  
(b) All the assets have been physically verified by the management during the year and no discrepancy was noticed on such verification.  
  
(c) The Company carry immovable property at residual value as on balance sheet date.
- ii. The company has the inventory of shares of listed/unlisted companies.
- iii. In our Opinion and According to information and explanation given to us by the management, The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has not granted loans or made investments or given guarantees and security. Accordingly, the provisions of clause 3 (iv) of the Order are not applicable to the Company and hence not commented upon.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.  
  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the current year.

- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has not been paid or provided. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN: 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178

Date: 25/06/2020  
Place: Ahmedabad

**ANNEXURE B REFERRED TO IN PARAGRAPH 2 (f) OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

**To the Members of Gallops Enterprise Limited**

We have audited the internal financial controls over financial reporting of Gallops Enterprise Limited (“the Company”) as of March 31, 2020 which is based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO 2013 criteria) in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established under the COSO 2013 criteria, which considers the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting in COSO 2013 criteria, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN. 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178

Date: 25/06/2020  
Place: Ahmedabad

**Gallops Enterprise Limited**  
**Balance Sheet as at 31st March, 2020**

Particulars	Note No.	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	4,703	4,703
(b) Financial Assets			
(i) Loans	4	10,308,801	10,251,023
(c) Other non-current assets			
<b>Current assets</b>			
(a) Inventories	5	3,534,183	3,320,370
(b) Financial Assets			
(i) Cash and cash equivalents	6	258,848	690,178
(ii) Loans			
(c) Other current assets	7	143,732	34,687
<b>Total Assets</b>		<b>14,250,267</b>	<b>14,300,961</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	8	50,114,000	50,114,000
(b) Other Equity		(36,119,048)	(36,198,784)
<b>Liabilities</b>			
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	9	18,000	9,000
(b) Other current liabilities	10	125,674	284,855
(c) Provisions	11	111,640	91,890
<b>Total Equity and Liabilities</b>		<b>14,250,267</b>	<b>14,300,961</b>

See accompanying notes forming parts of the financial statements

In terms of our report attached of the even date

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN: 126173W

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
**Partner**  
M.No. 176178  
UDIN: 20176178AAAAAN5500

**Pooja Patel**  
**Director**  
DIN: 02233585

**Nagin Patel**  
**Director**  
DIN: 00361230

**Mukesh Patel**  
**CFO**  
PAN:AOQPP1709M

Date: 25/06/2020  
Place: Ahmedabad

Date: 25/06/2020  
Place: Ahmedabad

**Gallops Enterprise Limited**  
**Statement of Profit and Loss for the Year ended 31st March, 2020**

	Particulars	Note No.	For the Year Ended 31st March, 2020 (Amt in Rs.)	For the Year Ended 31st March, 2019 (Amt in Rs.)
I	Revenue From Operations	12	6,675	13,434
II	Other Income	13	1,175,892	12,262,025
<b>III</b>	<b>Total Income (I+II)</b>		<b>1,182,567</b>	<b>12,275,459</b>
IV	<b>EXPENSES</b>			
	Changes in Inventories	14	-213,813	492,211
	Employee benefits expense	15	476,338	335,075
	Finance costs		-	-
	Depreciation and amortization expense		-	-
	Other expenses	16	840,306	2,994,557
	<b>Total expenses (IV)</b>		<b>1,102,831</b>	<b>3,821,843</b>
V	Profit/(loss) before exceptional items and tax (I-IV)		79,736	8,453,616
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		79,736	8,453,616
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		79,736	8,453,616
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		79,736	8,453,616
XIV	Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		79,736	8,453,616
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic	17	0.02	1.69
	(2) Diluted			
XVII	Earnings per equity share (for discontinuing operation):			
	(1) Basic		-	-
	(2) Diluted			
XVIII	Earnings per equity share (for continuing & discontinuing operation):			
	(1) Basic		0.02	1.69
	(2) Diluted			

**See accompanying notes to the financial statements**

In terms of our report attached of the even date

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN: 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178  
UDIN: 20176178AAAAAN5500

Date: 25/06/2020  
Place: Ahmedabad

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Pooja Patel**  
**Director**  
DIN: 02233585

**Nagin Patel**  
**Director**  
DIN: 00361230

**Mukesh Patel**  
**CFO**  
PAN:AOCPP1709M

Date: 25/06/2020  
Place: Ahmedabad

**Gallops Enterprise Limited**  
**Cash Flow Statement for the Financial Year Ended 31 March, 2020**

	Particulars	For the year ended 31	For the year ended
		March 2020	31 March 2019
		(Amt in Rs.)	(Amt in Rs.)
<b>(A)</b>	<b>Cash flow from Operating Activities</b>		
	Profit/ (Loss) before extraordinary items and tax	79,736	8,453,616
	<b>Adjustments for:-</b>		
	Finance Cost	-	-
	Provision for Doubtful Debts Reversed	-	(12,000,000)
	Depreciation and Amortisation	-	-
	<b>Operating Profit/(Loss) before changes in Working Capital</b>	79,736	(3,546,384)
	<b>Changes In Working Capital:-</b>		
	Increase /(Decrease) in Trade Payables	9,000	(72,000)
	Increase /(Decrease) in Other Current Liabilities	(159,181)	214,747
	Increase /(Decrease) in Short Term Provision	19,750	(1,404,305)
	(Increase) /Decrease in Inventories	(213,813)	492,211
	(Increase) /Decrease in Trade Receivables	-	-
	(Increase) /Decrease in Other Current Assets	(166,823)	1,816,348
	<b>Operating Profit/(Loss) after changes in Working Capital</b>	(511,067)	1,047,001
	Less:- Taxes Paid	-	-
	<b>Net Cash Flow from Operating Activities (A)</b>	(431,330)	(2,499,383)
<b>(B)</b>	<b>Cash flow from Investing Activities</b>		
	Purchase of Fixed Assets	-	-
	Proceeds from Advances	-	-
	<b>Net Cash Flow from Investing Activities (B)</b>	-	-
<b>(C)</b>	<b>Cash flow from Financing Activities</b>		
	Proceeds from Borrowings(net of repayment)	-	-
	Finance Cost	-	-
	Other Non Current Assets Changes	-	-
	<b>Net Cash Flow from Financing Activities (C)</b>	-	-
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)</b>	(431,330)	(2,499,383)
	Cash and Cash Equivalents at the Beginning of the Period	690,178	3,189,561
	<b>Cash and Cash Equivalents at the Ending of the Period</b>	258,848	690,178

As per our Report of Even Date Attached

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN: 123173W

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
**Partner**  
M.No. 176178  
UDIN: 20176178AAAAAN6500

**Pooja Patel**  
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**Mukesh Patel**  
**CFO**  
PAN:AOQPP1709M

Date: 25/06/2020  
Place: Ahmedabad

Date: 25/06/2020  
Place: Ahmedabad



**Gallops Enterprise Limited**  
**Statement of Changes in Equity for the Year Ended 31st March, 2020**

**A. Equity Share Capital**

Particulars	Number of Shares	Amount in Rs.
Equity Shares of Rs. 10 each issued, subscribed & fully paid		
As at 31st March, 2018	5,011,400	50,114,000
As at 31st March, 2019	5,011,400	50,114,000

**B. Other Equity**

(Amt in Rs.)

Particulars	Other Equity		Other items of Other Comprehensive Income (specify nature)	Total
	Other Reserves (specify nature)	Retained Earnings		
As at 31st March, 2018	-	(44,652,400)	-	(44,652,400)
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	(44,652,400)	-	(44,652,400)
Profit/Loss during the current period	-	8,453,616	-	8,453,616
Total Comprehensive Income for the year	-	-	-	-
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
As at 31st March, 2019	-	(36,198,784)	-	(36,198,784)
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	(36,198,784)	-	(36,198,784)
Profit/Loss during the current period	-	79,736	-	79,736
Total Comprehensive Income for the year	-	-	-	-
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
As at 31st March, 2020	-	(36,119,048)	-	(36,119,048)

See accompanying notes forming parts of the financial statements  
 In terms of our report attached of the even date

**For, S K Jha & Co.**  
**Chartered Accountants**  
 FRN: 126173W

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
 Partner  
 M.No. 176178  
 UDIN: 20176178AAAAAN5500

**Pooja Patel**  
 Director  
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 DIN: 00361230

**Mukesh Patel**  
 CFO  
 PAN:AOQPP1709M

Date: 25/06/2020  
 Place: Ahmedabad

Date: 25/06/2020  
 Place: Ahmedabad

**3 Property, Plant & Equipments**

(Amount in Rs.)

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	As at 1st April, 2019	Additions/ adjustments	Deductions/ adjustments	As at 31st March, 2020	As at 1st April, 2019	Additions/ adjustments	Deductions/ adjustments	As at 31st March, 2020	As at 31st March, 2019	
Office Equipment	250,900	-	-	250,900	246,197	-	-	246,197	4,703	4,703
<b>Total</b>	<b>250,900</b>	<b>-</b>	<b>-</b>	<b>250,900</b>	<b>246,197</b>	<b>-</b>	<b>-</b>	<b>246,197</b>	<b>4,703</b>	<b>4,703</b>
<b>Total-Previous Year</b>	<b>250,900</b>	<b>-</b>	<b>-</b>	<b>250,900</b>	<b>246,197</b>	<b>-</b>	<b>-</b>	<b>246,197</b>	<b>4,703</b>	<b>4,703</b>

**4 Financial Asset- Non Current: Loans**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
(a) Staff Loans- Unsecured, Considered Doubtful	40,725	40,725
Less: Provision for doubtful Staff Loan	25,525	25,525
(A)	15,200	15,200
(b) Loans to Others-Unsecured, Considered Doubtful	2,404,297	2,404,297
Less: Provision for doubtful Loan	2,404,297	2,404,297
(B)	-	-
(c) Advances to Companies- Unsecured Considered Good	-	-
Less: Written Off	-	-
(C)	-	-
(d) Advances to Companies, Considered doubtful	13,001,923	12,944,145
Less: Provision for Advance to Companies	2,708,322	2,708,322
(D)	10,293,601	10,235,823
(e) Advances to others- Unsecured, Considered doubtful	326,836	326,836
Less: Provision for Doubtful Advance to others	326,836	326,836
(E)	-	-
<b>Total (A+B+C+D+E)</b>	<b>10,308,801</b>	<b>10,251,023</b>

**5 Inventories**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
<b>Stock in Trade</b>		
Quoted Shares	2,125,683	1,914,170
Unquoted Shares	1,408,500	1,406,200
<b>Total</b>	<b>3,534,183</b>	<b>3,320,370</b>

**6 Cash and Cash Equivalents**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
Cash on Hand	59,505	55,076
Balance with Banks	199,343	635,102
<b>Total</b>	<b>258,848</b>	<b>690,178</b>

**7 Other Current Assets**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
Advance receivable in cash of kind	-	-
TDS on Interest Income	143,732	34,687
<b>Total</b>	<b>143,732</b>	<b>34,687</b>

**9 Financial Liabilities-Current: Trade Payables**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
Other Trade Payable- Unsecured, Considered Good	18,000	9,000
<b>Total</b>	<b>18,000</b>	<b>9,000</b>

**10 Other Current Liabilities**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
Other Payables	125,674	284,855
<b>Total</b>	<b>125,674</b>	<b>284,855</b>

**11 Provisions**

Particulars	As at 31st March, 2020 (Amt in Rs.)	As at 31st March, 2019 (Amt in Rs.)
Other Provison:		
Provison for other expense	111,640	91,890
<b>Total</b>	<b>111,640</b>	<b>91,890</b>

**8 Equity Share Capital****(i) Authorised, Issued, Subscribed and Paid-up:**

Particulars	31.03.2020		31.03.2019	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	5,500,000	55,000,000	5,500,000	55,000,000
<b>Issued, Subscribed &amp; paid up Capital</b>				
Equity Shares of Rs 10/-	5,011,400	50,114,000	5,011,400	50,114,000

**(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

Particulars	31.03.2020		31.03.2019	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,011,400	50,114,000	5,011,400	50,114,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,011,400	50,114,000	5,011,400	50,114,000

**(iii) Details of shares in the company held by each shareholder holding more than 5% shares specifying the number of shares of shares held**

Name of Shareholder	31.03.2020		31.03.2019	
	No. of shares held	% of Holding	No. of shares held	% of Holding
(a) Narsinhbhai G Patel	897,600	17.91	897,600	17.91
(b) Patel Narsinhbhai Ganpatbhai as karta of HUF	435,300	8.69	435,300	8.69
(c) Varun N Patel	300,000	5.99	300,000	5.99

**12 Revenue from Operations**

Particular	For the Year Ended	
	31st March, 2020	31st March, 2019
Sale/Redemption of Shares	914	914
<b>Other Operating Revenues</b>		
Dividend Income	5,761	6,514
Interest from Shares	-	6,006
<b>Total</b>	<b>6,675</b>	<b>13,434</b>

**13 Other Income**

Particular	For the Year Ended	
	31st March, 2020	31st March, 2019
Interest Income	1,175,308	262,025
Interest on Income Tax Refund	584	-
Provision of Doubtfull Debt Reversed (Refer Note 22)	-	12,000,000
<b>Total</b>	<b>1,175,892</b>	<b>12,262,025</b>

**14 Changes in Inventories**

Particular	For the Year Ended	
	31st March, 2020	31st March, 2019
Closing Stock in Trade	3,534,183	3,320,370
Opening Stock in Trade	3,320,370	3,812,581
<b>Difference</b>	<b>-213,813</b>	<b>492,211</b>

**15 Employee Benefit Expenses**

Particular	For the Year Ended	
	31st March, 2020	31st March, 2019
Salaries & Bonus	476,338	335,075
<b>Total</b>	<b>476,338</b>	<b>335,075</b>

**16 Other Expense**

Particular	For the Year Ended	
	31st March, 2020	31st March, 2019
Advertisement Exps	35,621	35,621
Audit Fees	34,000	25,000
Custodial Fees Expense	86,495	47,055
Professional Charges	245,000	432,500
Revocation Fees	354,000	2,360,000
ROC Filing Expense	20,824	6,000
Registry & Security Transfer Fees Exps	56,577	62,645
Miscellaneous Expenses	7,789	25,736
<b>Total</b>	<b>840,306</b>	<b>2,994,557</b>

## **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

### **a) Basis of preparation and compliance with Ind AS**

- i. These financial statements as and for the year ended March 31, 2020 (the "Ind AS Financial Statements") are prepared in accordance with Ind AS.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company had adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 1, 2017.

- ii. The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016.
- iii. These financial statements were approved for issue by the Board of Directors on June 25, 2020.
- iv. The World Health Organisation (WHO) declared the novel Coronavirus (COVID-19) outbreak a global pandemic on March 11, 2020. Consequent to this, Government of India had declared lockdown on March 23, 2020 and therefore, the Company suspended its business operations. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, closure of production facilities etc. during the lock-down period. However, business operations resumed from June 01, 2020 after obtaining necessary permissions from the appropriate government authorities. We have also taken necessary precautions to ensure the health, safety and wellbeing of all our employees as well as put in place SOPs and guidelines as per state government directives to prevent the spread of Covid-19. The Company has made detailed assessment of its liquidity position for FY 2021 and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory, and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone and consolidated financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

### **b) Basis of measurement**

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including equity Shares financial instruments which have been measured at fair value as described below.

#### **Fair value measurement**

The Company measures financial instruments, such as, Equity Shares at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For other fair value related disclosures refer note no 20.

### **c) Functional and Presentation Currency**

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates

## **2. SIGNIFICANT ACCOUNTING POLICIES**

The company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

### **a) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Dividend Income is recognized when the right to receive payment is established.

Interest Income is recognized on time basis using the effective interest method.



**b) Property, Plant and Equipment**

**i. Property, Plant and Equipment**

The Company has applied Ind AS 16 with prospective effect for all of its property, plant and equipment as at the transition date, viz., April 1, 2016.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is Derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**ii. Depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

However, the value of fixed assets as on the balance sheet date is insignificant and fixed assets are carried at its residual value and no depreciation is provided during the year.

**c) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



## **Financial Assets**

### **Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### **Subsequent Measurement**

Subsequent measurement of financial assets is described below –

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

However, reporting entity does not have such financial assets to be measured at amortized cost using EIR method.

### **Financial Assets – Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained

### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### **Financial liabilities – Recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through statement of profit and loss**

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

- **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### **Financial liabilities – Derecognition**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

For more information on financial instruments Refer note no 20

#### **d) Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

e) **Inventories**

As per Ind AS 109, the Inventories of Securities is a Financial Instrument in case of reporting entity thus, same is valued at Fair Value and difference in valuation is recognised in Profit and Loss Account. In absence of Market rate for non traded shares, its value is taken at Rs. 1 as per past practice.

f) **Taxation**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**g) Employee Benefit Schemes**

**i. Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**ii. Post-employment benefits**

**Defined benefit plans – Provident fund**

Provisions of EPF are not applicable to the company as it does not fall under the implication requirements of the act i.e. number of employees does not exceed the ceiling limit. Thus, there is no contribution by the company towards post employment benefits.

**h) Earnings Per Share**

The Company presents basic and diluted earnings per share (“EPS”) data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**i) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

Company is operating in a single segment.

**j) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**k) Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are elaborated in note no. 21.

#### 17. Earnings Per Share

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Net Profit/(Loss) after tax for the year	79,736	8,453,616
Weighted number of ordinary shares for basic EPS	50,11,400	50,11,400
Nominal Value of Ordinary Share	10	10
Basic and Diluted Earning for Ordinary Shares	0.02	1.69

#### 18. Related Party Transactions

##### a) Key Managerial Personnel & their Relatives

i.	Narsinhbhai G Patel	Managing Director
ii.	Naginbhai G. Patel	Director
iii.	Amrish J. Patel	Director
iv.	Pooja Narsinhbhai Patel	Director
v.	Bhanubhai Ambalal Patel	Director
vi.	Mukesh Bansilal Patel	CFO
vii.	Hiral Soni	Company Secretary
viii.	Varun N Patel	Relative of Director

##### b) Enterprises Controlled By Key Management Personnel or Their Relatives

i.	Gallops Infrastructure Limited
ii.	N G Reality Private Limited
iii.	N G Patel Finlease Private Limited
iv.	N G Infotech Private Limited
v.	Astron Technologies Private Limited
vi.	Gallops Realty Private Limited
vii.	Gallops Infra Con Private Limited
viii.	Ashwa Infra Con Private limited
ix.	Rajpath Club Limited
x.	Karnavati Club Limited

##### Transaction taken place during the year with related parties

Particulars	As at 31.03.2020	As at 31.03.2019
Mukesh Patel -Salary	2,48,100	2,25,075
Hiral Soni -Salary	2,20,571	--

##### Details of amount due to or due from as at 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Financial Assets- Non Current: Loans</b>		
Advance to Companies-Considered Doubtful Parshva Tex Chem (I) Private Limited	-	-
- Gross Outstanding	26,00,000	26,00,000



- Provision for Doubtful	(26,00,000)	(26,00,000)
- Net Outstanding	-	-
<b>Other Current Liabilities</b>		
Varun Naginbhai Patel	<b>62,000</b>	<b>62,000</b>

## 19. Financial Instruments

### Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial assets and financial liabilities are disclosed in Note 2 (c).

### I. Financial assets and liabilities as at

(Amount in Rs.)

Particulars	31 <sup>st</sup> March, 2020				
	FVTPL	FVTOIC	Amortized Cost	Carrying Value	Fair Value
Financial Assets					
Cash & Cash Equivalents	-	-	2,58,848	2,58,848	2,58,848
Inventories	35,34,183	-	-	35,34,183	35,34,183
Loans-Non Current	-	-	1,03,08,801	1,03,08,801	1,03,08,801
Other Current Assets	-	-	1,43,732	1,43,732	1,43,732
	35,34,183	-	1,07,11,381	1,42,45,564	1,42,45,564
Financial Liabilities					
Trade Payables	-	-	18,000	18,000	18,000
Other Current Liabilities	-	-	125,274	125,274	125,274
	-	-	143,274	143,274	143,274

(Amount in Rs.)

Particulars	31 <sup>st</sup> March, 2019				
	FVTPL	FVTOIC	Amortized Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents	-	-	690,178	690,178	690,178
Inventories	3,320,370	-	-	3,320,370	3,320,370
Loans-Non Current	-	-	10,251,023	10,251,023	10,251,023
Other Current Assets	-	-	34,687	34,687	34,687
	3,320,370	-	10,975,888	14,296,258	14,296,258
<b>Financial Liabilities</b>					
Trade Payables	-	-	9,000	9,000	9,000
Other Current Liabilities	-	-	284,855	284,855	284,855
	-	-	293,855	293,855	293,855

#### Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(Amount in Rs.)

Financial Instruments	Level 1	Level 2	Level 3
<b>As at 31<sup>st</sup> March, 2020</b>			
<b>Financial Assets</b>	<b>21,25,683</b>		<b>14,08,500</b>
Inventories at fair value through profit and Loss			
<b>As at 31<sup>st</sup> March, 2019</b>			
<b>Financial Assets</b>		-	
Inventories at fair value through profit and Loss	<b>19,11,428</b>		<b>14,06,200</b>

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- **Cash and Cash Equivalents, Other Current Assets and Trade Payables:-** Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- **Loans Current & Non-Current and Other Current Liabilities:** All the amounts given/taken as loans do not carry any interest obligation and it is not practicable to estimate the timing of repayment of this loan. Thus, it is considered as repayable/receivable on demand and the face value (i.e. amount payable on demand) of such asset is considered its fair value.

There has been no transfer between Level 1 and Level 3 during the above periods.

#### **20. Critical Estimates and Judgements in applying Accounting Policies:**

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

##### **i) Property, plant and equipment and useful life of property, plant and equipment and intangible assets**

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

##### **ii) Provisions and Contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected Future cash flows.

## 21. Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximize the shareholders value . The company's overall strategy remains unchanged from previous year. The following table summarizes the capital of the company.

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Share Capital	5,01,14,000	5,01,14,000
Free Reserves	(3,61,19,048)	(3,61,98,784)
<b>Equity (A)</b>	<b>1,39,94,952</b>	<b>1,39,15,216</b>
Cash & Cash Equivalents	258,848	690,178
Short Term Advances	1,03,08,801	1,02,51,023
<b>Total Cash (B)</b>	<b>95,09,871</b>	<b>1,09,41,201</b>
Borrowings	-	-
<b>Total Debt (C)</b>	<b>-</b>	<b>-</b>
<b>Net Debt (D)= C-B</b>	<b>-</b>	<b>-</b>
<b>Net Debt to Equity Ratio (E)= D/A</b>		

For, S K Jha & Co.  
Chartered Accountants  
FRN: 126173W

For and on behalf of Board of Directors  
Gallops Enterprise Limited

**Nikhil Makhija**  
Partner  
M.No.: 176178  
UDIN: 20176178AAAAAN5500

**Pooja Patel**  
Director  
DIN: 02233585

**Nagin Patel**  
Director  
DIN:00361230

**Mukesh Patel**  
CFO  
PAN: AOQPP1709M

Date: 25/06/2020  
Place: Ahmedabad

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